

**TAX EXEMPT BOND FINANCING PROGRAM
Moratorium on Bond Financing for Dairy Farm-
based Solid Waste Management Facilities and
Development of New Dairy Farm-based Solid Waste
Management Facility Financing Guidelines and
Environmental Incentives**
October 26, 2004

STAFF SUMMARY-CPCFA

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ISSUE: The Chairman of the California Pollution Control Financing Authority, State Treasurer Phil Angelides, has requested the following items be approved by the Authority:

- The institution of a moratorium on the approval of bond financing for dairy farm-based solid waste management facilities;
- The development of new dairy farm-based solid waste management facility financing standards, incorporating the requirement that the Authority will finance no dairy farm-based solid waste management project unless the project results in improvement in both air and water quality;
- The development of possible incentives for dairies that undertake innovative advanced solid waste management measures that significantly improve air and water quality.

RECOMMENDATION: Staff recommends approval of (1) a moratorium on the approval of bond financing for dairy farm-based solid waste management facilities, (2) that the Authority develops new dairy farm-based solid waste management facility financing guidelines, incorporating the requirement that the Authority will finance no dairy farm-based solid waste management project unless the project results in improvement in both air and water quality, (3) that the Authority develops possible incentives for dairies that undertake innovative, advanced solid waste management measures that significantly improve air and water quality.